

18 June 2007

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Phorm, Inc.

("Phorm" or the "Company")

Additional Listing

Placing of 434,000 new common shares of \$0.001 (the "Placing Shares") at £35 per share (the "Placing Price") to raise approximately £15 million (US\$30 million) before expenses (the "Placing")

Further to our announcement on June 15, 2007, Phorm (AIM: PHRM and PHRX), an innovative technology company specialising in behavioural and contextual online advertising, today announces that Canaccord Adams Limited, on behalf of the Company, has conditionally placed 434,000 new common shares of \$0.001 ("Common Shares") at £35 per share, to raise approximately £15 million (US\$30 million) before expenses. The Placing is conditional, inter alia, upon admission of the Placing Shares to trading on AIM.

Application will be made for the Placing Shares to be admitted to trading on AIM and trading is expected to commence on 22 June 2007. The Placing Shares will represent approximately 3.66 per cent. of the enlarged issued common share capital of the Company.

Phorm intends to use the proceeds from the Placing to continue the implementation of its innovative behaviourally and contextually targeted advertising technology platform with Internet Service Providers (ISPs) and for general working capital.

Commenting on the investment, Kent Ertugrul, Phorm Chairman and CEO said, "We are delighted that we have received further endorsement of our offering and strategy via today's share placing. We continue to see high levels of interest in Phorm's behaviourally and contextually targeted technology from institutions and global ISPs."

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